



**U.S. Department of Justice**

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**FOR IMMEDIATE RELEASE  
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## **PRESS RELEASE**

### ***JUDGE SENTENCES SYSTEMS ADMINISTRATOR TO 15 MONTHS IN PRISON FOR EMBEZZLING MONEY FROM HEALTH CARE BENEFIT PROGRAM***

SALT LAKE CITY – U. S. District Judge Clark Waddoups sentenced Andrew Earl Hayford, age 29, of Salt Lake City to 15 months in federal prison this afternoon for embezzling money from OptumHealth Bank, a health care benefit program. Hayford was employed at OptumHealth Bank as a systems administrator.

Waddoups also ordered Hayford to pay \$160,171.84 in restitution and serve 36 months of probation when he completes his federal prison sentence. There is no parole in the federal criminal justice system.

According to a plea agreement reached with federal prosecutors, Hayford was systems administrator for OptumHealth Bank from around December 2006 to July 2008. Optum is a national administrator of health savings accounts (HSAs) for individuals and families. It also offers credit programs to individual account holders to help them pay out-of-pocket medical expenses. Hayford's responsibilities included setting up HSAs for employers and electronic accounts through which Optum received and processed claims. Through his position, he gained access and learned how

to operate Optum's electronic accounting and banking system. He admitted that this knowledge provided him with the opportunity to embezzle funds from Optum. He admitted he knowingly manipulated electronic files which resulted in automatic, periodic electronic transfers of funds from Optum's general operating account to bank accounts he controlled. He facilitated numerous transfers of funds ranging in amounts from \$1,000 to \$4,600 per transfer. The transfers were made to several Mastercard credit card accounts in his name or to a bank account in his wife's name.

"This crime was not simply one of opportunity," Assistant U.S. Attorney Mark Hirata told the judge in a sentencing memorandum. "On a systematic basis over roughly 18 months, the defendant embezzled over \$160,000 in health savings funds to which he was not entitled. Through his unique position at Optum, the defendant learned how to move and transfer the health savings funds of others for his personal benefit while disguising and concealing those transfers from Optum. The defendant plainly abused his position, arguably one in which Optum placed a high degree of trust."

In arguing for a prison sentence in the case, Hirata said that "at some point during his employment, Hayford realized he could steal people's health care savings and cover it up as if it never happened. He saw this opportunity, seized it, and did not look back or care, until he got caught."

The sentencing guideline range in the case was 15-21 months.

Hayford was indicted in May on one count of theft, embezzlement or misapplication by a bank employee and one count of theft or embezzlement in connection with health care. He pleaded guilty to the health care count in October.

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